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TAGS: PREL ETRD MARR TU RU SUBJECT: TURKEY: GUL'S HISTORIC VISIT TO RUSSIA

Classified By: CDA Doug Silliman, Reasons 1.4 (b,d)

- (C) Summary: President Gul,s February 12-15 visit to Moscow and Tatarstan was the first ever by a Turkish Head of State to the Russian Federation, according to MFA Deputy $\ensuremath{\text{U/S}}$ Cevikoz. The historic visit, which had a heavy commercial element, included extensive discussions with President Medvedev focused on regional developments and with PM Putin on bilateral economic issues. Cevikoz acknowledged that military and technical cooperation was discussed generally in Moscow and specifically in Kazan, where Turkey agreed to enhance defense industry cooperation with Tatarstan. Gul appeared eager to accentuate the positive on this trip, but did reflect the NATO position on Medvedev,s European Security Treaty when the issue came up. The visit is indicative of the growing importance Turkey places on its relationship with Russia and reflects both burgeoning bilateral economic ties and Turkey,s energy dependence on Russia. End Summary.
- 12. (C) MFA Deputy Undersecretary Unal Cevikoz briefed the Ankara diplomatic community February 20 on President Gul,s February 12-15 visit to Moscow and Kazan, Tatarstan. The trip marked the first visit by Turkey,s president to the Russian Federation, and reciprocated Putin,s 2004 presidential visit to Turkey. Gul was accompanied by FM Babacan, Energy Minister Guler, State Minister Tuzmen, and over 100 Turkish business representatives. Cevikoz described the joint declaration signed by Gul and Medvedev as a framework document that moves beyond the declaration signed in 2004 during Putin,s visit to Turkey, and would form the basis for future cooperation in international relations, economics, cultural and commercial spheres.

Meeting with Medvedev

 $\underline{\ \ }$ 3. (C) Bilateral discussions with Russian President Medvedev lasted for over two hours and focused on regional issues and economic cooperation. Cevikoz said the presidents agreed that there are no political problems bilaterally and that the two countries share parallel views on international issues. They expressed the desire to enhance cooperation in all dimensions, and hailed the burgeoning economic relationship. During a press appearance with Medvedev following their meeting, Gul focused almost entirely on working to resolve bilateral trade issues.

Caucasus, Black Sea

 $\underline{\texttt{1}} \texttt{4.}$ (C) On the Caucasus, Cevikoz said Russia "welcomed the Caucasus Stability and Cooperation Platform as a positive vehicle for avoiding mistrust in the region," while Turkey expressed appreciation for Russia initiative in hosting the November 2 meeting on Nagarno-Karabakh. The Russians indicated that there is positive momentum on Nagarno-Karabakh and believed that progress is possible in 2009. On the Black Sea, the two sides agreed that mechanisms fostering cooperation among the countries of the region, including the Montreux Convention, were "functioning effectively" and that both sides were willing to "extend strategic cooperation in the Black Sea."

Middle East Peace, Iran

15. (C) Russian FM Lavrov, during the bilateral meeting with Medvedev, expressed gratitude and support for Turkey,s mediating role in the Middle East and the "helpful role" it has played on dealing with the Iran nuclear issue. Both sides expressed support for the territorial integrity of Iraq. When asked, Cevikoz confirmed the two sides discussed briefly Medvedev,s proposal for a new European Security Treaty. Cevikoz said Gul adhered to the NATO position, stating that it is possible to discuss the proposal within the OSCE framework. In response to a question from the Danish ambassador, Cevikoz explained that due to the technical nature of the issue, the CFE and flank issues were not raised by either side during the visit, nor was Kosovo discussed specifically.

Economy, Energy

16. (C) The two presidents welcomed growing bilateral economic ties. Gul noted that Russia is now Turkey,s top trade partner, and with over three million Russians visiting Turkey in 2008, Turkey is now Russia,s top foreign tourist destination. Russian firms are investing over USD 6 billion in Turkey, and Turkish firms have invested USD 4 billion in Russia. Cevikoz highlighted that two-third of the gas used by Turkey is from Russia, and one-third of the oil. The two sides agreed that Turkey and Russia were not competitors in the energy realm, all existing projects are complementary, and it is possible to have an "equal bilateral partnership" in energy. The Russians did not express opposition to Nabucco, but talked about its South Stream and Blue Stream II projects. Over the weekend in an interview with CNN Turk, Foreign Minister Babacan said Turkey welcomes Russian participation in Nabucco. He also warned that if Russia feels excluded, "it has instruments that could be used to block Nabucco." Russia also reiterated its interest in Turkey,s nuclear industry, and noted its revised bid for Turkey,s nuclear power plant tender, which Cevikoz said is still being evaluated by Turkish authorities. More details relating to the energy discussion will be reported septel. End Note.)

Meeting with Putin

17. (C) Trade and economic cooperation was the focus of President Gul,s meeting with PM Putin, which also lasted for more than two hours. The ongoing dispute over a new regime imposed by Russian customs against Turkish exports was extensively discussed, and Putin expressed a willingness to resolve the issue. Cevikoz noted that the two sides met in Istanbul February 18-19 to address this issue. (Comment: On February 19, Turkish Deputy Prime Minister Yazici held a press conference to announce that, in accordance with the customs simplification protocol signed last September, Turkey and Russia would be establishing pilot inspection points at Istanbul's two airports and at Minokova airport in Russia. The announcement of the pilot program is hardly revolutionary given that the protocol was signed six months ago and the two sides are just now having their first technical discussion, but it does indicate some softening of the Russian stance following the Gul meeting. End comment.)

Visit to Tatarstan

18. (C) Describing the visit to Tatarstan as a sign of Russian confidence in Turkey,s intentions, Cevikoz said Gul met with

the President of the Tatarstan Republic and there was a joint lunch for the Turkey-Tatarstan Business Council. Only when asked did Cevikoz acknowledge that military-technology cooperation was discussed generally during the meetings in Moscow and specifically during the visit to Kazan. Cevikoz said Turkey and Tatarstan agreed to develop closer defense industry cooperation, but was unwillingly to provide any specifics regarding the agreement.

Comment

19. (C) Gul appeared eager to accentuate the positive on this trip, carefully avoiding or downplaying possible points of disagreement, such as Georgia, Kosovo, or CFE. The visit is indicative of the growing importance Turkey places on its relationship with Russia and reflects burgeoning bilateral economic ties and Turkey, senergy dependence on Russia. While Russian action against Georgia in August was a shock, Turkey continues to believe positive engagement remains the most effective way in dealing with its vast northern neighbor. It remains unclear exactly what was agreed to in Kazan, but it is reasonable to suspect that the agreement seeks to give Turkey greater indirect access to Russian military technology and one more option for obtaining advanced military capabilities.

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